

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

BRIAN LUCAS ET AL.,

Plaintiffs,

v.

FERRARA PAN CANDY, INC. ET AL.,

Defendants.

Case No. 13 C 1525

Judge John Z. Lee

Magistrate Judge Daniel G. Martin

**NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED
SETTLEMENT, AND FAIRNESS HEARING**

If you sought a work assignment at Ferrara Candy Company (“Ferrara”) through staffing agencies Labor Power, Inc. or Remedial Environmental Manpower (“REM”) or you submitted a written application to Ferrara for a position as a Machine Operator, Mogul Cook, Engrosser, Janitor, Quality Control Technician or Shipping Clerk, or listed “open” on your application to Ferrara between February 27, 2009 and December 22, 2015, a class action lawsuit may affect you.

*A federal court has authorized this Notice. This is not a solicitation from a lawyer.
You are not being sued.*

PART 1: BASIC INFORMATION

WHAT IS THIS NOTICE ABOUT?

1. WHY DID I GET THIS NOTICE?

You received this Notice because the lawyers for the Plaintiffs and Defendants identified you as a person in the Class, defined as:

All African Americans who sought a work assignment through REM or through Labor Power and were otherwise eligible to work at Ferrara or who were Ferrara Direct Applicant Class Members¹ but, on one or more occasions, were not assigned or hired to work at Ferrara in such capacity during the period of February 27, 2009 through the December 22, 2015 Approval Date.

If you received this Notice, you are eligible to participate in the settlement and may be eligible for compensation as described below. **If you do not wish to participate in the settlement and receive a settlement payment, you may also exclude yourself or opt-out of the settlement. Information on how to exclude yourself from the settlement is available on page 4 of this Notice.**

¹ A “Ferrara Direct Applicant Class Member” refers to all African Americans who submitted a written application to Ferrara’s Forest Park, Illinois facility between February 27, 2011 and December 22, 2015 for a position as a Machine Operator, Mogul Cook, Engrosser, Janitor, Quality Control Technician, or Shipping Clerk, or who listed “open” on their application and by doing so were seeking a position as a Machine Operator, Mogul Cook, Engrosser, Janitor, Quality Control Technician, or Shipping Clerk. “Ferrara Direct Applicant Class Member” does not include any African Americans who: (a) sought a position through REM or Labor Power during the Class Period; (b) was hired by Ferrara as a Machine Operator, Mogul Cook, Engrosser, Janitor, Quality Control Technician, or Shipping Clerk between February 27, 2011 and December 22, 2015, (c) was offered a position of Machine Operator, Mogul Cook, Engrosser, Janitor, Quality Control Technician, or Shipping Clerk between February 27, 2011 and December 22, 2015; or (d) was offered to interview for the positions of Machine Operator, Mogul Cook, Engrosser, Janitor, Quality Control Technician, or Shipping Clerk between February 27, 2011 and December 22, 2015, but declined the interview or did not report for the interview.

This Notice explains:

- What the lawsuit is about
- Who is affected by the lawsuit
- Who represents the Class in the lawsuit
- What your legal rights and options are
- How and by when you need to act

2. WHAT IS THIS NOTICE ABOUT?

This Notice is to tell you about the Settlement of a “class action” lawsuit that was filed against Ferrara Candy Company, Remedial Environmental Manpower, Inc., and Labor Power, Inc. (“Defendants”) and to tell you about a “Fairness Hearing” before Judge John Z. Lee on June, 2, 2016 at 10:00 a.m. in Courtroom 1225 of the United States District Courthouse, located at 219 South Dearborn Avenue, Chicago, Illinois 60604, to determine whether the proposed settlement described in the Class Action Settlement Agreement (the “Agreement”) fairly resolves the claims against Defendants as explained below.

This Notice **is not** a notice of a lawsuit against you. A Federal Court has authorized this Notice.

3. WHAT IS THIS LITIGATION ABOUT?

This lawsuit was filed by Brian Lucas, Aronzo Davis, Torrence Vaughans and Maurice Milton (“Plaintiffs”) on behalf of themselves and other people who sought work assignments to Ferrara Candy Company, either directly or through two staffing agencies known as Labor Power and REM (collectively, “Defendants”). Plaintiffs allege that Defendants discriminated against African Americans seeking work assignments to Ferrara by limiting or completely excluding African-American laborers from being assigned to Ferrara by Labor Power or REM or hired by Ferrara for the positions of Machine Operator, Mogul Cook, Engrosser, Janitor, Quality Control Technician or Shipping Clerk, and those African-Americans who listed “open” on their applications to Ferrara and by doing so were seeking a position of Machine Operator, Mogul Cook, Engrosser, Janitor, Quality Control Technician or Shipping Clerk. Plaintiffs contend that as a result of the Defendants’ discriminatory policy or practice of steering African-Americans away from available positions at Ferrara, that the workforce of laborers assigned by REM and Labor Power to Ferrara was overwhelmingly Latino. Plaintiffs sought to recover the lost wages that they could have received, if they had been assigned to or hired by Ferrara, as well as their attorney’s fees and costs and other relief. Defendants have denied all allegations of wrongdoing, and no Court has held that Defendants’ violated the law. The Plaintiffs and Defendants have reached a Settlement regarding the litigation.

PART 2: THE SETTLEMENT

WHAT DOES THE SETTLEMENT ENTAIL?

4. WHAT IS THE “SETTLEMENT” AND HOW WAS IT AGREED UPON?

Plaintiffs and Defendants agreed to a Settlement, in which Defendants have agreed to compensate Plaintiffs and other similarly situated people for the allegations in Plaintiffs’ complaint. Defendants have denied all wrongdoing, and no court has held that Defendants violated the law. The Court has granted preliminary approval of the settlement, and the Plaintiffs and Defendants (collectively, “the Parties”) are now seeking final Court approval, which is required for the settlement to become effective. The settlement includes a procedure for eligible persons to receive their share of the Settlement Fund. There has been no determination by a court, administrative agency, or other tribunal as to the truth or validity of Plaintiffs’ allegations against Defendants in this Lawsuit.

Substantial amounts of time, energy, and other resources have been devoted by the Parties in prosecuting and in defending the Lawsuit. Unless there is a settlement, that Lawsuit will continue. In settlement negotiations, the Parties have taken into

account the uncertainty of the outcome and the risk of further litigation. In light of these factors, the Parties believe that the settlement is the best way to resolve the Lawsuit while minimizing further expenditures.

The Parties and their attorneys believe that the settlement is fair, reasonable, and adequate, and in the best interests of all Parties, including the Settlement Class.

5. WHAT ARE THE TERMS OF THE SETTLEMENT?

Defendants have agreed to pay a Settlement Amount of up to one million five hundred thousand dollars (\$1,500,000.00) to resolve all claims in this Lawsuit as described in the Stipulation of Settlement. Each class member shall be allocated a proportionate share of the Settlement Amount (not to exceed \$7,500.00 per class member) after the Settlement Amount has been reduced by: (1) \$5,000.00 to each Plaintiff for executing full releases of all claims as to Defendants, and \$1,500 for Service Payments to each Plaintiff for helping to litigate and settle this Lawsuit; (2) no more than twenty-five percent (25%) of the Settlement Amount, as approved of and ordered by the Court, as payment for court approved attorneys' fees and reasonable costs, and (3) the costs of administering the settlement up through final approval of the settlement. The Settlement Amount as reduced by the foregoing amounts is referred to in this Notice as the "Class Settlement Fund."

6. WHAT AM I ENTITLED TO RECOVER UNDER THE SETTLEMENT?

If the settlement is approved by the Court, every Settlement Class Member, including Plaintiffs, who timely submits a valid claim form will receive a settlement payment. Settlement payments will be reduced on a pro rata basis in the event the sum of settlement payment exceeds the size of the Class Settlement Fund.

The Parties agree that 50% of each Claimant's Settlement Payment will be considered wages and will be reported as such on an IRS Form W-2 and that the remaining 50% of each Claimant's Settlement Payment will be considered compensatory damages and will be reported as such on an IRS Form 1099 where mandated by the Internal Revenue Service. Appropriate withholding of federal, state, and local income taxes, and the Claimants' share of Federal Insurance Contributions Act (FICA) taxes shall be deducted from the respective Settlement Payments and reported in the above referenced Form W-2. Other than the withholding and reporting requirements herein, Claimants shall be solely responsible for the reporting and payment of their share of any federal, state, and/or local income or other taxes on payments received pursuant to this settlement.

HOW DO I PARTICIPATE?

7. HOW DO I RECEIVE A SETTLEMENT AWARD?

To receive a part of the Class Settlement Fund, you must complete and sign the Claim Form without alteration or amendment and return it to the Settlement Administrator on or before May 3, 2016. *If you do not timely complete and return a signed and completed Claim Form, you will not receive a monetary Settlement Payment.*

8. WHAT PRACTICES WILL DEFENDANTS IMPLEMENT TO HELP PREVENT ANY FUTURE ALLEGED VIOLATIONS?

Defendants have agreed to work with or continue to work with one or more community-based organizations in the Chicago Metropolitan area that specialize in providing job assistance to minorities in order to recruit diverse applicants. These groups include, but are not limited to, the Westside Health Authority. Additionally, Defendants each have agreed to undergo diversity training for hiring staffs and human resources personnel within 12 months days of the Effective Date of this settlement. Defendants agree that such training shall include equal employment opportunity and compliance with various federal and state civil rights laws, to include the following topics: (1) equal employment opportunity (2) federal, state and local prohibitions of unlawful discrimination and retaliation (3) diversity issues and (4) other topics that will encourage equal employment in recruiting, hiring, assigning, promoting and retaining minorities.

9. AM I REQUIRED TO PARTICIPATE IN THE SETTLEMENT?

No, you may do nothing and you will remain a member of the class and bound by the settlement but you will not receive a check.

You also have the right to exclude yourself from the Lawsuit and “opt-out” of the settlement if you comply with the opt-out procedure stated below. If you exclude yourself, you will not receive money from this settlement.

10. WHAT IS THE FAIRNESS HEARING AND DO I NEED TO ATTEND?

The purpose of the Fairness Hearing in this case is to determine whether the proposed settlement of the Lawsuit is fair, reasonable, and adequate, and whether the proposed settlement should be finally approved by the Court and the Lawsuit dismissed. **Any Class Member who is satisfied with the proposed settlement does not have to appear at the Fairness Hearing.**

11. HOW CAN I OPT-OUT OF THE SETTLEMENT?

To effectively opt-out, you must send to the Settlement Administrator the following written statement “I request to be excluded from the settlement in *Lucas et. al. vs. Ferrara Candy Company, et al.*, Case No. 13-CV-01525 (USDC Northern District of Illinois, Eastern Division).” You must also include your full name, address, and telephone number, and you must personally sign the letter. **The Request for Exclusion must be filed no later than May 3, 2016 to be effective. If you opt-out of the settlement you will not recover any money as part of this settlement.** You may, however, pursue other legal remedies apart from the settlement that may be available to you. Neither the Parties nor their attorneys make any representations to you regarding what, if any, legal remedies are available to you should you choose to opt-out. **YOU SHOULD NOT OPT-OUT IF YOU WISH TO PARTICIPATE IN THE SETTLEMENT.**

12. HOW CAN I OBJECT TO THE SETTLEMENT?

Any person who has not validly and timely opted-out of the settlement but who objects to the proposed settlement may appear in person or through counsel at the Fairness Hearing and be heard as to why the settlement should not be approved as fair, reasonable, and adequate, or why a final judgment should or should not be entered dismissing the Lawsuit with prejudice. No attorneys’ fees will be paid by Defendants to an objector’s counsel for work related to an objection to this settlement. If you choose to object to the settlement, you must on or before May 3, 2016, mail your written objection to the Settlement Administrator with copies to Class Counsel and Defendants’ counsel. The objection must set forth, in clear and concise terms, the legal and factual arguments supporting the objection. Your written objection must also include (a) your full name, address, and, telephone number, (b) dates of your employment with Defendants and job title(s) while employed with Defendants; (c) last four digits of your employee identification number, (d) copies of papers, briefs, or other documents upon which the objection is based, (e) a list of all persons who will be called to testify in support of your objection, and (f) your signature, even if you are represented by counsel. Settlement Class Members who do not timely make their objections in this manner will be deemed to have waived all objections and shall not be heard or have the right to appeal approval of the settlement.

If you file an objection and wish it to be considered, you must also appear at hearing on June 2, 2016 at 10:00 a.m. at the federal courthouse at 219 South Dearborn Street in Chicago, Illinois, Courtroom 1225, at which time the presiding judge in this case (The Hon. John Z. Lee) will consider whether to grant final approval of this settlement. **YOU ARE NOT REQUIRED TO ATTEND THIS HEARING UNLESS YOU PLAN TO OBJECT TO THE SETTLEMENT.** Please note that it is not sufficient to simply state that you object. You must state reasons why you believe the settlement should not be approved.

13. WHEN IS THE COURT HEARING TO DETERMINE IF THE SETTLEMENT IS FAIR?

The Fairness Hearing will be held before the Honorable John Z. Lee on June 2, 2016 at 10:00 a.m. in Courtroom 1225 of the United States District Courthouse located at 219 South Dearborn Avenue, Chicago, Illinois 60604. The Fairness Hearing may be adjourned from time to time as the Court may direct, without further notification.

If you are a member of the Settlement Class, you will be bound by the proposed Settlement if it is approved, unless you opt-out by making a timely Request for Exclusion as described above.

14. WHAT RIGHTS AM I GIVING UP IF I PARTICIPATE IN THE SETTLEMENT?

Persons who do not opt out of the Settlement will release and discharge, on behalf of themselves and their heirs, legatees, personal representatives and assigns, Ferrara Candy Company, Remedial Environmental Manpower, Inc., Labor Power, Inc., and all of their former and current parent companies, owners, directors, officers, agents, employees, attorneys, predecessors, successors, assigns, subsidiaries, shareholders, insurers, benefit plans, and affiliated entities for all claims that were raised or could have been raised in Plaintiffs' Complaint for race discrimination under Section 1981 and Title VII, including failure to hire by all Defendants and failure to assign to Ferrara by Remedial Environmental Manpower and Labor Power.

15. HOW ARE THE LAWYERS FOR THE SETTLEMENT CLASS PAID?

Subject to Court approval, Class Counsel will receive no more than twenty-five percent (25%) of the Settlement Amount, as approved by the Court, for all past and future attorneys' fees and reasonable costs incurred or that will be incurred in this Lawsuit through final approval of the settlement as set forth in the Stipulation of Settlement.

16. WHAT IF THE COURT DOES NOT APPROVE THE SETTLEMENT?

If the Court does not approve the settlement, the case will proceed as if no settlement had been attempted, and there can be no assurance that the class will recover more than is provided for in the settlement agreement, or indeed, anything.

17. CAN I REVIEW A COPY OF THE SETTLEMENT AGREEMENT OR OTHER PAPERS THAT WERE FILED WITH THE COURT?

Yes, for a detailed statement of the matters involved in the Lawsuit and the proposed settlement, you may review the pleadings and other papers filed in the Lawsuit, which may be inspected at the Office of the Clerk of the United States District Court, 219 S. Dearborn St., Chicago, Illinois, 60604, during regular business hours of each court day. In addition, you may also contact Class Counsel to review copies of the settlement papers filed with the Court.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH INQUIRIES ABOUT THIS SETTLEMENT. DIRECT QUESTIONS ABOUT THE SETTLEMENT TO CLASS COUNSEL.

18. THE LAWYERS REPRESENTING THE CLASS

The following two firms were appointed by the Court to represent the Class (called “Class Counsel”):

Workers’ Law Office, PC
Christopher J. Williams
Alvar Ayala
53 W. Jackson Blvd, Suite 701
Chicago, IL 60604
(312) 795-9120

Cohen, Milstein, Sellers & Toll, P.L.L.C.
Joseph M. Sellers
Shaylyn Cochran
1100 New York Avenue, N.W.
East Tower - Suite 500
Washington, D.C. 20005
(202) 408-4600

Dated: February 18, 2016

BY ORDER OF THE UNITED STATES DISTRICT
COURT FOR THE NORTHERN DISTRICT OF
ILLINOIS, EASTERN DIVISION